

ECONOMIC DEVELOPMENT, IOWA DEPARTMENT OF[261]

Notice of Intended Action

Twenty-five interested persons, a governmental subdivision, an agency or association of 25 or more persons may demand an oral presentation hereon as provided in Iowa Code section 17A.4(1)“b.”

Notice is also given to the public that the Administrative Rules Review Committee may, on its own motion or on written request by any individual or group, review this proposed action under section 17A.8(6) at a regular or special meeting where the public or interested persons may be heard.

Pursuant to the authority of Iowa Code sections 15.104 and 15.106, the Iowa Department of Economic Development gives Notice of Intended Action to adopt amendments to Chapter 39, “Iowa Main Street Program,” Iowa Administrative Code.

The current rules limit participation in the Main Street Iowa program to communities under 50,000 in population, provide for operational grants for start-up local Main Street programs and limit designation of Main Street Iowa districts to historic downtowns.

The proposed amendments will change the rules by updating language and descriptions, expanding eligibility to include Iowa cities of any population size, eliminating reference to operational grants for start-up local Main Street programs and expanding designation of Main Street Iowa districts to include historic traditional neighborhood commercial districts as well as historic downtowns. In addition, minor administrative changes were made to the rules.

Public comments concerning the proposed amendments will be accepted until 4:30 p.m. on February 1, 2011. Interested persons may submit written comments to Thom Guzman, Iowa Department of Economic Development, 200 East Grand Avenue, Des Moines, Iowa 50309; telephone (515)725-3058; or E-mail Thom.Guzman@iowa.gov.

A public hearing will be held Tuesday, February 1, 2011, from 10 to 11 a.m. in the Northwest First Floor Conference Room, Iowa Department of Economic Development, 200 East Grand Avenue, Des Moines, Iowa.

These amendments are intended to implement Iowa Code section 15.108.

The following amendments are proposed.

ITEM 1. Amend rules **261—39.1(75GA,ch1201)** to **261—39.4(75GA,ch1201)**, **261—39.6(75GA,ch1201)**, **261—39.7(75GA,ch1201)**, and **261—39.9(75GA,ch1201)** to **261—39.11(75GA,ch1201)**, parenthetical implementation statute, as follows:
(75GA,ch1201 15)

ITEM 2. Amend rule 261—39.1(15) as follows:

261—39.1(15) Purpose. The purpose of the Iowa main street program is to stimulate ~~downtown~~ economic development within the context of historic preservation and to establish a strong public/private partnership to revitalize ~~downtowns and their~~ traditional commercial districts in Iowa communities. The main street program emphasizes community self-reliance and ~~downtown's~~ the traditional assets of personal service, local ownership and unique architecture historically prevalent in traditional commercial districts. The main street program is based on four strategies which, when applied together, create a positive image and an improved economy in ~~downtown~~ these districts. The strategies are organization, promotion, design and economic restructuring.

Communities selected for participation in this demonstration program will receive technical assistance from the department's main street staff, professional staff of the National Trust Main Street Center, and other professional consultants and may have professional services of other state agencies to draw upon in order to facilitate ~~their~~ the communities' local main street program. ~~Participants will receive a grant to aid them in the implementation of their local main street program.~~

ITEM 3. Amend rule 261—39.2(15) as follows:

261—39.2(15) Definitions. The following definitions will apply to the Iowa main street program unless the context otherwise requires:

“*Department*” means the Iowa department of economic development.

“*Director*” means the director of the Iowa department of economic development.

“*Eligible activity*” includes organization, promotion, design and economic restructuring activities to create a positive image and an improved economy in a city’s ~~downtown~~ traditional commercial districts.

“*Eligible applicant*” means a city ~~with a population of less than 50,000 based upon the most recent census report or population study completed since the last census, filing in Iowa that files a joint application with a local nonprofit organization established by the community to govern the local main street program.~~

“*Grant*” means funds received through the Iowa main street program as evidenced by an agreement with the Iowa department of economic development.

“*Grantee*” means ~~any eligible applicant receiving funds under this program.~~

“*National Trust Main Street Center*” refers to an entity within the National Trust for Historic Preservation, a nonprofit national organization chartered by Congress.

ITEM 4. Amend rule 261—39.3(15) as follows:

261—39.3(15) Program administration.

39.3(1) Administering agency. The Iowa main street program ~~will be~~ is administered by the Iowa department of economic development.

39.3(2) Subcontracting. The department may contract with the National Trust Main Street Center of the National Trust for Historic Preservation for technical and professional services as well as with other appropriate consultants and organizations.

39.3(3) Request for ~~proposals (RFP)~~ applications (RFA). The department, upon availability of funds, will distribute a request for ~~proposal~~ applications which describes the Iowa main street program, outlines eligibility requirements, and includes an application and a description of the application procedures. Grants Selection will be awarded made on a competitive basis.

39.3(4) Applications. Applications may be obtained by contacting the Iowa Main Street Program Coordinator, Iowa Department of Economic Development, 200 East Grand Avenue, Des Moines, Iowa 50309; telephone (515) ~~242-4733~~ 725-3056.

39.3(5) Deadline. A completed application shall be returned to the department, postmarked no later than the date specified by the department in the ~~RFP~~ application and contain the information requested in the application.

39.3(6) Advisory council. The director may appoint a state main street advisory council(s) composed of individuals knowledgeable in ~~downtown~~ traditional commercial district revitalization to advise the director on the various elements of the program.

ITEM 5. Amend rule 261—39.4(15) as follows:

261—39.4(15) Eligible applicants. All cities ~~with a population under 50,000 in Iowa~~ are eligible to file a joint application along with their local community nonprofit organization established to govern the local main street program for selection as a main street demonstration community.

ITEM 6. Rescind and reserve rule **261—39.5(75GA,ch1201).**

ITEM 7. Amend rule 261—39.6(15) as follows:

261—39.6(15) Selection.

39.6(1) The director will determine, contingent upon the availability of state funding, the number of cities to be selected for inclusion in the main street program.

39.6(2) Cities will be selected for participation in the program on a competitive basis as described in these rules.

39.6(3) Upon selection of the demonstration projects, the department shall prepare ~~a grant~~ an agreement which will include the terms and conditions of ~~the grant~~ participation.

ITEM 8. Amend rule 261—39.7(15) as follows:

261—39.7(15) Selection criteria. The following factors shall be considered in the selection of a city for participation in the main street program (the highest point total possible is 400 points):

39.7(1) Support/funding. (100 points maximum)

a. Evidence of a strong commitment from city government and various local and private sector organizations to support a local main street program for at least three years. This evidence will include a resolution of support from the city government and other organizations in the community such as: merchants, associations, chambers of commerce or economic development corporations in addition to letters of support from other private sector entities.

b. Evidence of local public and private funds available to finance, ~~in addition to the state main street grant,~~ a local main street program for three years. This evidence will include a proposed local main street budget, sources of funding and financial commitment letters from the city government and other identified sources.

c. Evidence of a positive commitment to hire a local main street program ~~manager~~ director for not less than a three-year period. This evidence shall include a written commitment to hire a program ~~manager~~ director, signed jointly by the local nonprofit organization established to govern the local program and the city. For cities ~~under~~ with a population of less than 5,000 ~~in population,~~ the local main street program ~~manager~~ director shall be hired for a minimum of 25 hours per week. For cities ~~between~~ with a population of 5,000 and 50,000 ~~in population~~ or more, the local main street program ~~manager~~ director shall be hired full-time.

d. Evidence of the existence of, or a plan for, a nonprofit corporation organized under the laws of the state, such as a local main street organization, merchants association, chamber of commerce or economic development corporation that will be locally designated to serve as the governing body and policy board for the local main street program and program ~~manager~~ director. This evidence will include a copy of the proposed or filed articles of incorporation and the bylaws of such organization.

39.7(2) Historic building fabric. (60 points maximum)

a. Evidence of the existence of architecturally and historically significant buildings in the ~~downtown area~~ traditional commercial district that are currently listed on the National Register of Historic Places or are National Register-eligible ~~and or are in National Register-designated historic preservation districts.~~

b. Evidence of a local historic preservation organization and any evidence that indicates the organization's involvement working on historic projects located in the ~~downtown central business traditional commercial district.~~ This evidence shall include the identification of such organizations and activities over the past three years.

c. Evidence of any current historic preservation activities.

d. Evidence of the concentration of historic buildings located within the identifiable main street area.

e. Evidence of a locally designated historic district.

39.7(3) Potential. (100 points maximum)

a. Consideration of the ~~possible~~ possibility for demonstrable change in the ~~downtown proposed main street district~~ as a result of being a main street city. This Demonstration of this possibility includes the identified goals of the applicant, the potential for the realization of these goals and identification of the long-term impact the main street program will have on the city.

b. Potential for successfully completing the five-year program start-up period. This Demonstration of this potential shall include the proposed structure of the organization, the responsibilities of the board members, the program ~~manager~~ director and the chain of command for the organization.

c. Demonstration of the need for economic revitalization and development ~~downtown in the district.~~ This Demonstration of this need includes a summary of the current economic trends in the

area, and their impact on the ~~downtown~~ district and a summary identifying reasons for needing the main street program.

d. Identification of the size and location of the ~~downtown~~ district as related to the whole community. This shall include justification for the size of the ~~project area~~ district.

39.7(4) Current community demographics. (40 points maximum)

a. Description of the housing characteristics of the city, including the average vacancy rate and the condition of housing stock.

b. Description of the cultural, tourism and recreational aspects of the community. The importance the community places on these quality of life issues provides a barometer for future community growth.

c. Description of the ~~downtown~~ mix of retail, professional services, government offices and other commercial uses in the district.

d. Description of building ownership within the proposed main street area district, such as the current use, percentage of owner-occupied buildings, average rent rates and the vacancy rate.

39.7(5) Previous history. (60 points maximum)

a. Identification of previous ~~downtown~~ revitalization efforts, including identifying prior programs and their outcome.

b. Evidence of past public/private partnerships. This evidence shall include a summary of significant civic improvements completed by the community within the past three years.

c. Evidence of a good private investment record in the ~~downtown~~ proposed main street area district. This evidence shall include descriptions of commercial building rehabilitations and new construction within the past three years.

d. Evidence of ~~downtown~~ comprehensive plans, studies or surveys, which include the proposed main street district, done within the past three years. This evidence shall include copies of such plans, studies or surveys and their outcome.

e. Evidence of participation in ~~the Iowa community betterment program, the Iowa community economic preparedness program (commercial) or related~~ other Iowa department of economic development programs within the last past three years.

f. Designation as a certified local government, an Iowa great place, or an Iowa cultural and entertainment district from the state historical society of Iowa department of cultural affairs.

39.7(6) Readiness. (40 points maximum)

a. Identification of the community's familiarity with the main street program and principles as evidenced by prior exposure to main street conferences, ~~slide shows~~ community presentations, and contact with the main street Iowa program.

b. Demonstration of support shown for the main street program by the local financial community, the chamber of commerce, the merchants association, the local economic development organization, the local elected officials and the professional staff of city government.

c. Demonstration of the ability to implement the main street program and hire a program ~~manager~~ director upon selection. This Demonstration of this ability shall include a work plan with established timetables to hire a ~~manager~~ program director and organize a board of directors, if needed.

ITEM 9. Rescind and reserve rule **261—39.8(75GA,ch1201)**.

ITEM 10. Amend rule 261—39.9(15) as follows:

261—39.9(15) Performance reviews. Grantees Participating main street communities shall submit performance reports to the department as required. The reports shall assess document the use of funds ~~in accordance with program objectives and progress of the program activities~~.

ITEM 11. Amend rule 261—39.10(15) as follows:

261—39.10(15) Noncompliance. If the department finds that a grantee participating main street community is not in compliance with the requirements under this program, ~~the grantee will be required to refund to the state all disallowed costs. Reasons for a finding of noncompliance include, but are not limited to, a finding that the grantee is using program funds for unauthorized activities, has failed~~

~~to complete approved activities in a timely manner, has failed to comply with applicable laws and regulations or the grant agreement, or the grantee lacks the capacity to carry out the purposes of the program~~ the department shall terminate the program agreement.

ITEM 12. Amend ~~261~~—**Chapter 39**, implementation sentence, as follows:

~~This chapter is~~ These rules are intended to implement ~~1994 Iowa Acts, chapter 1201~~ Iowa Code section 15.108.